

Brune, Doug

From: Mindrup, Mary
Sent: Friday, June 13, 2014 9:51 AM
To: Flournoy, Karen; Huffman, Diane
Cc: Marquess, Scott; Brune, Doug; mtate@kdheks.gov; DPlummer@kdheks.gov
Subject: RE: Pretty Prairie; Small Kansas town faces \$4.6 million bill for broken water system

From: Flournoy, Karen
Sent: Monday, June 09, 2014 8:07 AM

To: Huffman, Diane
Cc: Marquess, Scott; Mindrup, Mary; Brune, Doug; mtate@kdheks.gov; DPlummer@kdheks.gov
Subject: Pretty Prairie; Small Kansas town faces \$4.6 million bill for broken water system

All-Darrel raises a very good point in his email. There needs to be a way to provide safe water without bankrupting the communities and negatively impacting state SRF programs.

Is there a possibility the EFC along with one or both universities could look at how to address these small communities? Yes-I realize it would take \$ but it is important so we can do some leg work to find \$. Do we know or can we find out if ORD is doing anything on this issue? I doubt we are the only Region facing this issue-we may have more small rural towns, but they exist in other states, too. I think we need to put some effort and leadership into this topic. What is OGWDW's take on this issue? What is ASDWA doing on this? thanks Karen

From: Huffman, Diane
Sent: Monday, June 09, 2014 7:28 AM
To: Flournoy, Karen
Subject: Fw: Pretty Prairie; Small Kansas town faces \$4.6 million bill for broken water system

We should discuss.

From: Darrel Plummer <DPlummer@kdheks.gov>
Sent: Friday, June 06, 2014 4:21:05 PM
To: Brune, Doug; Marquess, Scott
Cc: Mindrup, Mary; Huffman, Diane
Subject: Pretty Prairie; Small Kansas town faces \$4.6 million bill for broken water system

Assume you saw this by now but thought I'd pass this along anyway.

<http://cjonline.com/news/2014-06-04/small-kansas-town-faces-46-million-bill-broken-water-system>

This emphasizes our concerns about these small systems; like Pretty Prairie and smaller systems under 200 pop. like Englewood, Bogue, Timken and Mahaska. As I've said before, these are dying communities, they are not growing and thriving. I'm afraid the time is coming when these systems will begin defaulting on the SRF and RD loans we so eagerly "pushed" them into so they could meet state and federal regulatory requirements. Being a state that leverages the SRF programs through the bond market we are not anxious to make loans of this magnitude to these types of systems. We do not want to have our bond rating lowered. I see a "train wreck" ahead if we can't find a better more cost effective way to work with these small systems. As with the S&L crisis of the 1980s and the more recent financial crisis in 2007-2012, government will be left holding the preverbal "bag" once again. Not good.

Thanx,
Darrel R. Plummer
Chief, Public Water Supply Section
Kansas Dept. of Health and Environment
Bureau of Water - Public Water Supply Section
1000 SW Jackson; Suite 420
Topeka, KS 66612
Phone: (785) 296-5523
Fax: (785) 296-5509